

DWD Issuance 02-2001, Change 1, Attachment 1

Sub-State Monitoring Procedures

Grant Recipients or Sub-recipients (as appropriate) for each local area should develop and maintain on file, written procedures for the monitoring of subcontractors. Local areas may consult previously written plans, procedures and technical assistance guides in the development of such procedures. The following are considered to be the minimum elements and standards to be included in local area standards.

1. Each region should identify who will perform the oversight function. Local procedures must address the organization and (if applicable) position that will perform any monitoring activities. The procedures should outline the method of selecting the organization or position designated to perform monitoring and demonstrate the monitors' independence from the duties or systems being monitored.
2. The Workforce Investment Act (WIA) invests the Workforce Investment Board, in partnership with the Chief Elected Official(s) with responsibility for program oversight (referenced in §117(4) of WIA). Local procedures should identify the Workforce Investment Board's (WIBs) and Chief Elected Official's (CEOs) roles in reviewing oversight and program evaluation information. Monitors should submit annual reports to the WIB and CEO(s) in order for them to make appropriate judgments.

DWD requires annual monitoring reports to the WIB and CEO(s) regarding service provider compliance with the terms and conditions of contractual scopes of work (including the Workforce Investment Act (WIA) and American Recovery and Reinvestment Act (ARRA) statutory and regulatory guidelines, and the local WIB Career Assistance Program (CAP) Scope of Work). Subcontractor and local area performance reviews must also be provided to the WIB and CEO(s) on an annual basis. Other areas that are to be covered in monitoring reports are the adequacy of assessment, WIA program activities and services, coordination with one-stop system partners to meet the comprehensive needs of customers, and customer outcomes. WIA requires that when problems are identified, prompt and appropriate corrective action be taken. Reports to the WIB and CEO(s) shall be made in accordance with the appropriate provisions of the WIB/CEO Agreement.

3. The procedures must demonstrate that the local area's programmatic and operational oversight systems effectively regulate federal WIA regulations and state DWD Issuances.
4. Local areas must monitor On-the-Job Training (OJT) contracts to ensure agreements with employers and program participants are in accordance with procedures listed in DWD Issuance 04-2004 and DWD Issuance 04-2004 Change 1.
5. In addition to the procedures governing OJT contracts, local areas must monitor customized training to ensure that:

- ☐ Customized training is conducted with a commitment by the employer to employ, or in the case of incumbent workers, continue to employ, an individual on successful completion of the training, and
- ☐ That the employer pays not less than 50% of the cost of the training.

6. Sub-state monitoring procedures must include systems to ensure compliance with not only WIA, but with other Federal laws and regulations (i.e., Fair Labor Standards Act (FLSA) and its Child Labor provisions, and the Americans with Disabilities Act (ADA)).
7. Procedures should include a review of program quality and provide for continuous improvement of service delivery. Local monitoring efforts should include a comprehensive examination of compliance issues cited in prior state and local reviews and the determination whether corrective measures taken to address those issues have proven effective.
8. Local areas must use random sampling techniques in participant file reviews to test eligibility in every subcontractor and program that is operated. The following sample sizes are required at a minimum depending on the universe to be reviewed. The sample size should be applied to participant files from every funding source covered by the subcontract.

Universe Sample Size

1-200	51
201-300	55
301-400	58
401-500	60
501-1,000	63
1,001-2,000	65
2,001-10,000	67

This table is based on random sampling for attributes when the expected rate of occurrence is not over 20 percent with a confidence level of 90%, plus or minus 8%.

9. Participant files are to be reviewed for, at a minimum, documentation of participant eligibility and/or priority for the programs and services received, orientation to services, appropriateness of services in which the participant is enrolled, orientation of the participant to his/her rights under complaint and grievance procedures, and (when applicable) Individual Employment Plans, Individual Training Plans, and the appropriateness and accuracy of participant payments (i.e. supportive services and needs-related payments).
10. A statistically valid sample of the documentation of supplemental data used to verify employment and the attainment of a degree, diploma or certificate shall be included as part of the file review procedures.
11. All off-site intake forms (or if the total number exceeds 51, a random sample) should be compared to Toolbox entries to ensure the accuracy of information entered into the Toolbox case management system.
12. Monitoring procedures should include questionnaires and procedures for interviewing customers, employers, trainers, operational and administrative staff of all subcontractors, and should include on-site visits to subsidized employer worksites (i.e. summer youth work experiences).
13. Local areas are required to incorporate additional financial and programmatic monitoring procedures to ensure funds intended to support stand-alone summer youth programs are

administered in accordance with contractual Scopes of Work (i.e. Next-Generation Jobs Team). These procedures are to supplement existing monitoring duties and should be commence two weeks after the onset of the program operation through the end of the program operation to assure accountability and transparency of expenditures.

14. Monitoring procedures should include a description of the local areas oversight system to ensure compliance with all equal opportunities provisions of the Workforce Investment Act and other applicable Federal laws (referenced in §188 (a) (1) of WIA).